

General Property Taxes

The County levies real estate taxes on all real estate within its boundaries, except that exempted by statute, each year as of January 1, on the estimated market value of the property with semiannual payments due June 5 and December 5. All real estate property is assessed biennially.

The County levies personal property taxes on motor vehicles and tangible personal business property. These levies are made each year as of January 1, with semiannual payments due June 5 and December 5.

	Revenue Summary			
	FY2003	FY2004		Percentage
	Original	Adopted	Dollar Change	Change
Real Estate	36,807,500	39,197,500	2,390,000	6.49%
Public Service	3,700,000	3,700,000	-	0.00%
Personal Property	14,272,500	15,903,500	1,631,000	11.43%
Mobile Homes	31,000	44,600	13,600	43.87%
Machinery & Tools	1,350,000	1,250,000	(100,000)	-7.41%
Boats	25,000	42,000	17,000	68.00%
Penalties	350,000	350,000	-	0.00%
Interest	100,000	100,000	-	0.00%
Penalty/Int Utility Excess	-	-	-	0.00%
Tax Sale	-	-	-	0.00%
Total	<u>56,636,000</u>	<u>60,587,600</u>	<u>3,951,600</u>	6.98%

FY2004 Budget Comments

The increase in real estate tax revenue is due to new construction. Personal property tax revenues are expected to increase because of growth in the County.

Other Local Taxes

Local Sales Taxes

The County levies a one percent (1%) local option sales and use tax on retail transactions. Businesses remit this tax to the State Tax Commissioner along with the three and one half percent (3-1/2%) State sales tax. The State disburses the tax to the localities on a monthly basis.

Lodging and Meals Tax

The transient occupancy tax of five percent (5%) is paid for any room rented on a short-term basis. These revenues are generated primarily by hotels and motels within the County. Sixty percent (60%) of the revenues collected are earmarked for tourism activities. This tax is collected monthly.

A four percent (4%) tax is levied on prepared food and beverages sold for human consumption in the County. This tax is collected monthly.

Business Licenses

The County requires all persons conducting any business, profession, trade, or occupation to have a license. The Commissioner of Revenue computes the amount of license tax and after payment to the Treasurer, the license is issued.

Utility Consumption Taxes

In lieu of the local business license tax levied on corporations furnishing heat, light or power by means of electricity and/or natural gas, Section 58.1-2900 and Section 58.1-2904 of the Virginia State Code imposes a tax on consumers of electricity and natural gas in the Commonwealth based on kilowatt hours or volume of gas delivered. This tax is collected monthly.

Other Local Taxes

Other local taxes include an annual license fee on every motor vehicle, trailer, and semi-trailer garaged, stored or parked in the County. Fees range from \$15.00 for motorcycles to \$23.00 for passenger cars. Other local taxes also include a bank franchise tax imposed on banks located within the County based on their net capital, a franchise tax on cable television services, a recordation tax on each taxable instrument recorded in the County and a surcharge of \$2.18 per month for enhanced E911 service for each line provided by a telephone company.

Other Local Taxes (continued)

	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Local Sales Tax	4,950,000	5,346,000	396,000	8.00%
Lodging Tax	1,950,000	1,989,000	39,000	2.00%
Meals Tax	3,000,000	3,120,000	120,000	4.00%
Business Licenses	3,255,600	3,580,600	325,000	9.98%
Utility Consumption Tax	-	201,000	201,000	100.00%
Motor Vehicle Licenses	1,145,200	1,150,100	4,900	0.43%
Cable Franchise Tax	455,000	455,000	-	0.00%
Bank Franchise Tax	140,000	143,600	3,600	2.57%
Recordation Tax	880,000	850,000	(30,000)	-3.41%
E-911 Surcharge	800,000	800,000	-	0.00%
Miscellaneous	112,000	113,400	1,400	1.25%
Total	16,687,800	17,748,700	1,060,900	6.36%

FY2004 Budget Comments

The revenue projections in this section are expected to show a moderate increase during FY2004. With the opening of two Wal-Mart super stores, increases in Local Sales Tax and Business Licenses are expected. Effective January 1, 2001, the Utility Consumption Tax on consumers of electricity and natural gas replaced local business license taxes levied on corporations furnishing heat, light or power by means of electricity or natural gas.

Permits, Privilege Fees and Regulatory Licenses

The County requires permits, inspections, and fees on construction and alterations of all buildings in the County. Permits include building, electrical, plumbing and mechanical. Other licenses and fees include dog licenses and fees for zoning, plan review, land transfers, plat and land use.

	Revenue Summary			
	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Inspection Fees	581,350	559,600	(21,750)	-3.74%
Permits, Fees & Licenses	<u>91,550</u>	<u>93,250</u>	<u>1,700</u>	1.86%
Total	<u>672,900</u>	<u>652,850</u>	<u>(20,050)</u>	-2.98%

FY2004 Budget Comments

Construction activity in the County is expected to show a moderate decline.

Fines and Forfeitures

The County imposes fines on individuals charged with violations of County ordinances. These include court and parking fines and court assessments.

	Revenue Summary			
	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Fines & Forfeitures	118,600	150,300	31,700	26.73%

FY2004 Budget Comments

The increase in Fines and Forfeitures is due to increases in collections in the Courts.

Revenue From Use of Money and Property

Revenue from Use of Money

The County Treasurer uses an aggressive cash management program investing temporarily idle funds in repurchase agreements and other instruments secured or collateralized by government securities.

Revenue from Use of Property

The County receives revenue from the rental of its facilities, such as for the Human Services building, as well as the sale of surplus property.

	Revenue Summary		Dollar Change	Percentage Change
	FY2003 Original	FY2004 Adopted		
Use of Money	1,200,000	500,000	(700,000)	-58.33%
Use of Property	297,500	334,750	37,250	12.52%
Total	<u>1,497,500</u>	<u>834,750</u>	<u>(662,750)</u>	-44.26%

FY2004 Budget Comments

Use of Money, Interest Earnings, shows a major decline for FY2004 due to the low rate of return generated on investments. The increase in Use of Property is attributable to the County's receipt of funds on the rental of towers and other property.

Charges for Services

The County collects revenues for services exclusive of enterprise fund activities. These sources include fees charged by the Commonwealth's Attorney, Sheriff, Clerk of Court, Parks & Recreation activities and Library services.

	Revenue Summary			
	FY2003	FY2004	Dollar	Percentage
	Original	Adopted	Change	Change
Clerk of Court Excess Fees	120,000	175,000	55,000	45.83%
Commwealth's Attny Fees	4,000	5,000	1,000	25.00%
Law Enforcement Fees	12,000	63,000	51,000	425.00%
Parks & Recreation Fees	396,200	358,500	(37,700)	-9.52%
Library Fines & Fees	51,000	54,500	3,500	6.86%
Other	8,300	7,100	(1,200)	-14.46%
Total	<u>591,500</u>	<u>663,100</u>	<u>71,600</u>	12.10%

FY2004 Budget Comments

An increase in the Clerk of Court Excess Fees is a result of the decrease in the State Compensation Board funding for the Clerk of Court. The State Compensation Board first uses the fees collected by the Clerk to support the expenditures in her office not to exceed the monthly allocation. The balance of the fees, excess, are sent to the State, which remits 2/3 back to the County labeled Clerk of Court Excess Fees. The increase in Law Enforcement Fees is a result of the Off-duty Employment of Deputy Sheriffs program. Parks & Recreation Fees are proposed to decrease due to the reduction in hours of the Skate, Rattle & Roll in the upper County.

Fiscal Agent & Administrative Service Fees

The County is the fiscal agent for various agencies such as the Colonial Services Board and the Colonial Group Home Commission. The County receives a fee of one percent (1%) of their non-capital expenditures for providing this service. Additionally, administrative costs are recovered from the County's enterprise funds. These recoveries are reported in this category.

	Revenue Summary		Dollar Change	Percentage Change
	FY2003 Original	FY2004 Adopted		
Fiscal Agent Fees	139,000	139,000	-	0.00%

FY2004 Budget Comments

There is no change in this revenue activity.

Miscellaneous Revenues

Revenues received from various sources that are not required to be accounted for in a separate revenue code. These include donations for Bike Patrol and the Dare Program in the Sheriff's office, Fire and Rescue, Beautification, Safety Town Program and the Library; return check fees collected by the Treasurer; and other miscellaneous revenues.

	Revenue Summary		Dollar Change	Percentage Change
	FY2003 Original	FY2004 Adopted		
Miscellaneous	59,600	59,100	(500)	-0.84%

FY2004 Budget Comments

The decrease anticipated in this area is minimal.

Recovered Costs

The County is reimbursed for costs associated with court services and streetlights.

	Revenue Summary		Dollar Change	Percentage Change
	FY2003 Original	FY2004 Adopted		
Poquoson Shared Costs	123,000	123,000	-	0.00%
Streetlight Program	<u>31,000</u>	<u>40,000</u>	<u>9,000</u>	29.03%
Total	<u>154,000</u>	<u>163,000</u>	<u>9,000</u>	5.84%

FY2004 Budget Comments

The increase in this area is minimal.

Revenue from the Commonwealth Non-Categorical Aid

The County receives a share of certain revenues collected by the Commonwealth. These revenues include ABC and Wine Profits, Mobile Home Taxes and Rolling Stock Taxes.

	Revenue Summary			
	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
ABC Profit	130,000	75,000	(55,000)	-42.31%
Wine Profit	64,000	80,000	16,000	25.00%
Mobile Home Taxes	24,000	20,000	(4,000)	-16.67%
Rolling Stock Taxes	20,000	20,000	-	0.00%
Total	<u>238,000</u>	<u>195,000</u>	<u>(43,000)</u>	-18.07%

FY2004 Budget Comments

The anticipated revenues received from the Commonwealth has been reduced due to the State fiscal challenges.

Revenue from the Commonwealth Shared Expenses - Categorical Aid

The County receives revenues from the Commonwealth for the State's share of expenditures in joint activities. These include the Commonwealth's Attorney, Commissioner of the Revenue, Treasurer, Registrar, Sheriff and Clerk of Court.

	Revenue Summary			
	FY2003	FY2004	Dollar	Percentage
	Original	Adopted	Change	Change
Commonwealth's Attorney	444,500	422,275	(22,225)	-5.00%
Commissioner of Revenue	179,700	159,933	(19,767)	-11.00%
Treasurer	171,300	152,457	(18,843)	-11.00%
Medical Examiner	200	178	(22)	-11.00%
General Registrar	50,000	44,500	(5,500)	-11.00%
Sheriff	2,176,438	2,054,000	(122,438)	-5.63%
Civil Defense	44,000	39,160	(4,840)	-11.00%
Clerk of the Court	360,000	320,400	(39,600)	-11.00%
Total	<u>3,426,138</u>	<u>3,192,903</u>	<u>(233,235)</u>	-6.81%

FY2004 Budget Comments

The reimbursement from the State Compensation Board for FY2004 for the Constitutional Officers is declining due to State fiscal challenges.

Revenue from the Commonwealth Categorical Aid

The County receives revenues from the Commonwealth designated for specific uses. These revenues include amounts received for the Library and housing improvement.

	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Housing Section 8	32,000	60,300	28,300	88.44%
Moderate Rehabilitation	44,000	-	(44,000)	-100.00%
VJCCA	155,444	75,000	(80,444)	-51.75%
Library Grants	204,000	150,000	(54,000)	-26.47%
Wireless E-911	72,000	64,800	(7,200)	-10.00%
Other	20,000	9,000	(11,000)	-55.00%
Total	<u>527,444</u>	<u>359,100</u>	<u>(168,344)</u>	-31.92%

FY2004 Budget Comments

The reductions in this area are due to the State fiscal challenges.

Revenue from the Commonwealth Grant Awards

The County is awarded grants from various Commonwealth departments for specific uses. These grants include awards from the Department of Motor Vehicles, Department of Criminal Justice Services (DCJS), Department of Housing and Community Development and various other departments of the Commonwealth.

	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Two for Life	23,000	20,000	(3,000)	-13.04%
Fire Protection	65,000	65,000	-	0.00%
DCJS Programs	124,000	124,000	-	0.00%
Emergency Home Repair	10,000	-	(10,000)	-100.00%
Emergency Service	20,000	20,000	-	0.00%
Miscellaneous	-	5,000	5,000	100.00%
Total	<u>242,000</u>	<u>234,000</u>	<u>(8,000)</u>	-3.31%

FY2004 Budget Comments

The reductions in this area are due to the State fiscal challenges.

Revenue from the Federal Government

Payment in Lieu of Taxes

The County imposes a service charge upon real estate that is exempt from property taxation.

Sheriff – Community Oriented Policing Services (COPS) Grant

The Sheriff received a grant for three years as part of the Community Oriented Policing Services (COPS) Universal Hiring Program grant. The grant enabled the Sheriff to hire six additional deputies in FY2002.

	Revenue Summary			
	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Dollar
Payment in Lieu of Taxes	3,000	3,000	-	0.00%
Sheriff-COPS Grant	<u>150,000</u>	<u>150,000</u>	-	0.00%
Total	<u>153,000</u>	<u>153,000</u>	-	0.00%

FY2004 Budget Comments

No increases are projected in this area. FY2004 will be the third and final year of funding for the Sheriff-COPS Grant.

Other Financing Sources

Transfer Appropriations

The School Board has contracted with the County:

- Maintain the school grounds and athletic fields
- With the Sheriff's office:
 - School Resource Officers at each high school facility
 - DARE middle school officer (not funded in FY2004)
- Video services operations

	Revenue Summary			
	FY2003 Original	FY2004 Adopted	Dollar Change	Percentage Change
Insurance Recovery	10,000	10,000	-	0.00%
Transfer Appropriations	<u>1,164,097</u>	<u>1,166,660</u>	<u>2,563</u>	0.22%
Total	<u>1,174,097</u>	<u>1,176,660</u>	<u>2,563</u>	0.22%

FY2004 Budget Comments

The changes reflected in this category are due to funding from the Schools for the maintenance of the school grounds, support of the program contracted with the Sheriff's Office for School Resource Officers in the high schools and for support of the Video Services operation. The Schools do not support the DARE middle school program originally contracted by the Schools with the Sheriff's Office for FY2004.